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STATE PROCUREMENT OFFICE
NOTICE OF AND REQUEST FOR EXEMPTION
FROM CHAPTER 103D, HRS, STATE OF HAWAII

- 1. TO: Chief Procurement Officer
2. FROM: State Procurement Office, for All Executive Depart/Agencies

Department/Division/Agency
Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction:
Interisland air ticketeing

4. Name of Vendor: all interisland airline passenger carriers
Address: various
5. Price: \$2. million

6. Term of Contract: From: 1/1/2010 To: 12/31/ 2010
7. Prior Exemption Ref. No. PE09-042-C

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:
In the current interisland airline market environment there is no advantage for the State to procure interisland tickets by competitive means. In this industry, where rates fluctuate rapidly, reservations can be made through various sources, such as internet, or direct with the airlines at rates that are very competitive on an as need basis. Agencies can take advantage of any, seasonal rates, web specials, or corporate rates. Staff can easily compare rates online simultaneously, thereby assuring themselves of getting the most economical rates available for the dates required. SPO checked with the major interisland carriers , Hawaiian Airlines and Go/Mokulele, and under the current environment contract fares would be higher than on-line (web) specials and seasonal rates.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
As an alternative, departments may contact the airlines directly, one or more travel agencies, or any online travel agency to provide the services.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
Reference each department's procurement delegation authority and internal records.

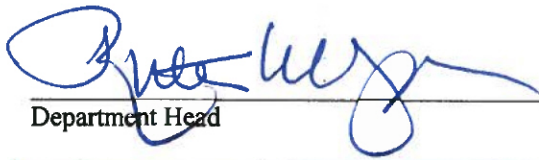
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		
Name	Position	Involvement in Process
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
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		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: SPO Contact Name: Bonnie Kahakui Phone Number: 587-4702 Fax Number: 586-0567
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Agency shall ensure adherence to applicable administrative and statutory requirements

14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*



Department Head

11/30/09
Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>12/1/09</u>
The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to: <p align="right"> Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119 </p>	
Chief Procurement Officer's comments:	

16. **APPROVED** **DISAPPROVED** **NO ACTION REQUIRED**

Chief Procurement Officer

Date